

Senate File 319 - Enrolled

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SENATE FILE 319

AN ACT
RELATING TO COOPERATIVE ASSOCIATIONS, BY PROVIDING FOR
DOCUMENTATION, INCLUDING CERTIFICATES AND STATEMENTS.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

Section 1. Section 499.15, Code 2007, is amended to read
as follows:

499.15 CONTENTS OF CERTIFICATES.

The association ~~shall~~ may issue certificates of membership
or stock, each of which states the fixed dividend, if any, and
the restrictions or limitations upon its ownership, voting,
transfer, redemption, or cancellation.

Sec. 2. Section 499.16, Code 2007, is amended to read as
follows:

499.16 SUBSCRIPTIONS == ISSUING CERTIFICATES.

If permitted by the association's articles of
incorporation, any eligible subscriber for common stock or
membership may vote and be treated as a member after making
part payment of the amount, if any, required to be paid for
the common stock or membership in cash, giving the
subscriber's note for the balance, and satisfying any other
requirement for the subscription as set forth in the articles.

A subscription may be forfeited as provided in section 499.32.
Stock or a membership ~~certificate~~ shall not be issued until
payment of the amount, if any, required to be paid for the
stock or membership ~~certificate~~ is fully made. A subscriber
shall not hold office until the ~~subscriber's certificate~~
association has been issued the subscriber stock or
membership.

Sec. 3. Section 499.17, Code 2007, is amended to read as
follows:

499.17 TRANSFER OF STOCK OR MEMBERSHIP.

No common stock shall be transferable, unless the articles
expressly provide for transfer to others eligible for
membership. Such provision may require that the transfer be
preceded by an offer to the association, or be otherwise
restricted. No nonstock membership shall be transferable, and
~~all if the association issues certificates thereof of~~
~~membership or stock to a member, the certificates shall be~~
~~surrendered to the association on the member's voluntary~~
~~withdrawal.~~

Sec. 4. Section 499.44, subsection 3, Code 2007, is
amended to read as follows:

3. Articles of incorporation, amendments to articles, or
renewal of articles must be filed with the secretary of state,
~~and recorded in the county where the association has its~~
~~principal place of business, as required by the general~~
~~corporation laws.~~ The association's corporate existence shall
begin upon approval by the secretary of state of the articles
and issuance of the certificate of incorporation.

Sec. 5. Section 499.47, subsection 3, Code 2007, is
amended to read as follows:

3. Upon the expiration or voluntary dissolution of an
association, the members shall designate three of their number
as trustees to replace the officers and directors and wind up
its affairs. The trustees shall have all the powers of the
board, including the power to sell and convey real or personal
property and execute conveyances. Within the time fixed in
their designation, or any extension of that time, the trustees
shall liquidate the association's assets, pay its debts and
expenses, and distribute remaining funds among the members.

Upon distribution of remaining assets the association shall
stand dissolved and cease to exist. The trustees shall make
and sign a duplicate report of the dissolution. One copy of
the report shall be filed with the secretary of state ~~and one~~
~~copy of the report shall be filed with the recorder of the~~
~~county where the articles were recorded.~~

Sec. 6. NEW SECTION. 499.73A CHANGE OF PRINCIPAL OFFICE.

An association may change its principal office by
delivering to the secretary of state for filing a statement of

3 4 change that sets forth all of the following:
3 5 1. The name of the association.
3 6 2. The street address of its current principal office.
3 7 3. The street address of its new principal office.

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3 12 JOHN P. KIBBIE
3 13 President of the Senate

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3 16 PATRICK J. MURPHY
3 17 Speaker of the House
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3 19 I hereby certify that this bill originated in the Senate and
3 20 is known as Senate File 319, Eighty-second General Assembly.

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3 24 MICHAEL E. MARSHALL
3 25 Secretary of the Senate

3 26 Approved _____, 2007

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3 29 _____
3 30 CHESTER J. CULVER
3 31 Governor